

Message Text

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PAGE 01 LONDON 09984 01 OF 03 161724Z
ACTION EUR-12

INFO OCT-01 EA-09 IO-14 ISO-00 AID-05 CIAE-00 EB-07
FRB-01 INR-07 NSAE-00 XMB-04 OPIC-06 SP-02 LAB-04
EPG-02 SIL-01 OMB-01 NSC-05 SS-15 STR-04 CEA-01
EURE-00 INRE-00 SSO-00 NSCE-00 USIE-00 OES-07
FEAE-00 INT-05 PA-02 PRS-01 AGRE-00 /116 W
-----161823Z 095919 /50

O R 161716Z JUN 77
FM AMEMBASSY LONDON
TO SECSTATE WASHDC IMMEDIATE 5152
TREASURY DEPT WASHDC IMMEDIATE
INFO AMEMBASSY BONN
AMEMBASSY BRUSSELS
AMEMBASSY PARIS
AMEMBASSY ROME
AMEMBASSY TOKYO
USMISSION GENEVA
USDOC WASHDC

UNCLAS SECTION 01 OF 03 LONDON 09984

USEEC ALSO FOR EMBASSY
USOECN ALSO FOR EMBASSY
USMTN

DEPARTMENT PASS FEDERAL RESERVE BOARD

E.O. 11652: N/A
TAGS: EFIN, UK
SUBJECT: UK TRADE AND CURRENT ACCOUNT IN MAY. 1977

1. IN MAY THE VISIBLE TRADE DEFICIT WIDENED TO 244 MIL-
LION POUNDS FROM THE REVISED APRIL FIGURE OF 129 MILLION.
THE CURRENT ACCOUNT DEFICIT OF 24 MILLION POUNDS REPRESENTS A DETERIORATION OF 113 MILLION POUNDS FROM THE REVISED APRIL SURPLUS OF 91 MILLION POUNDS. EXPORT VOLUME
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PAGE 02 LONDON 09984 01 OF 03 161724Z

DECLINED BY 2.4 PERCENT FOLLOWING A 4.1 PERCENT RISE IN
APRIL. IMPORT VOLUME ROSE BY 2.7 PERCENT AFTER DECLINING
0.6 PERCENT IN APRIL. THE DEFICIT ON PETROLEUM AND PETROL
EUM PRODUCTS WIDENED TO 302 MILLION POUNDS IN MAY, A
CHANGE OF 91 MILLION POUNDS FROM THE APRIL FIGURE OF 211
MILLION. THE FOLLOWING TABLES SUMMARIZE RECENT TRADE
DEVELOPMENTS.

2. POUNDS MILLION (SEASONALLY ADJUSTED)

	CURRENT BALANCE	VISIBLE BALANCE: TRADE IN GOODS	INVISIBLE BALANCE: SERVICES AND OTHER CURRENT TRANSACTIONS
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1975	- 1650	- 3195	1545
1976	-1476	- 3592	2116
1976 1ST QU.	- 121	- 538	417
2ND QU.	- 401	- 919	518
3RD QU.	- 543	- 1148	605
4TH QU.	- 411	- 987	576
1977 1ST QU.	- 327	- 968	641
1976 DECEMBER	- 22	- 214	192 B
1977 JANUARY	- 324	- 538	214 B
FEBRUARY	25	- 188	213 B
MARCH	- 28	- 242	214 B
APRIL	91	- 129	220 A
MAY	- 24	- 244	220 A
1976 DEC.-FEB.	- 321	- 940	619
MAR.-MAY 1977	39	- 615	654 A

A - THESE FIGURES ARE OR INCLUDE PROJECTIONS AND ARE SUBJECT TO REVISION AS INFORMATION BECOMES AVAILABLE.

B - ONE-THIRD OF THE APPROPRIATE CALENDAR QUARTER'S ESTIMATE. MONTHLY FIGURES OF INVISIBLES ARE NOT AVAILABLE.

3. VISIBLE TRADE ON BALANCE OF PAYMENTS BASIS

SEASONALLY ADJUSTED VALUES POUNDS MILLION
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PAGE 03 LONDON 09984 01 OF 03 161724Z

	EXPORTS(FOB)	IMPORTS(FOB)	VISIBLE BALANCE
1975	19379	22574	- 3195
1976	25294	28886	- 3592
1975 1ST QU.	4644	5591	- 947
2ND QU.	4611	5266	- 655
3RD QU.	4808	5775	- 967
4TH QU.	5316	5942	- 626
1976 1ST QU.	5611	6149	- 538
2ND QU.	6209	7128	- 919
3RD QU.	6400	7548	- 1148
4TH QU.	7074	8061	- 987
1977 1ST QU. R	7415	8383	- 968
1976 DECEMBER	2448	2662	- 214
1977 JAN. R	2479	3017	- 538
FEB. R	2437	2625	- 188
MAR. R	2499	2741	- 242
APR. R	2635	2764	- 129
MAY P	2616	2860	- 244

MAR.-MAY 7750 8365 - 615

PERCENTAGE

CHANGE(1) 5 1/2

P - PROVISIONAL ESTIMATES R - REVISED ESTIMATES

(1) PERCENTAGE CHANGE: LATEST THREE MONTHS ON PREVIOUS

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PAGE 01 LONDON 09984 02 OF 03 161730Z

ACTION EUR-12

INFO OCT-01 EA-09 IO-14 ISO-00 AID-05 CIAE-00 EB-07
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EURE-00 INRE-00 SSO-00 NSCE-00 USIE-00 OES-07
FEAE-00 INT-05 PA-02 PRS-01 AGRE-00 /116 W
-----161824Z 096024 /50

O R 161716Z JUN 77

FM AMEMBASSY LONDON

TO SECSTATE WASHDC IMMEDIATE 5153

TREASURY DEPT WASHDC IMMEDIATE

INFO AMEMBASSY BONN

AMEMBASSY BRUSSELS

AMEMBASSY PARIS

AMEMBASSY ROME

AMEMBASSY TOKYO

USMISSION GENEVA

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UNCLAS SECTION 02 OF 03 LONDON 09984

THREE MONTHS.

4. INVISIBLES

	SEASONALLY ADJUSTED VALUES		POUNDS MILLION
	CREDITS	DEBITS	INVISIBLE BALANCE
1975	11076	9531	1545
1976	13703	11587	2116
1975 1ST QU.	2658	2252	406
2ND QU.	2712	2366	346
3RD QU.	2786	2398	388
4TH QU.	2920	2515	405

1976 1ST QU. 3060 2643 417
 2ND QU. 3279 2761 518
 UNCLASSIFIED

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PAGE 02 LONDON 09984 02 OF 03 161730Z

3RD QU. 3594 2989 605
 4TH QU. 3770 3194 576
 1977 1ST QU. 3802 3161 641
 APRIL 220(1)
 MAY 220(1)

(1) - THESE FIGURES ARE PROJECTIONS AND ARE SUBJECT TO RE-
 VISION AS THE RELEVANT STATISTICAL INFORMATION BECOMES
 AVAILABLE.

5. EXPORT & IMPORT UNIT VALUE AND VOLUME INDEX NUMBERS
 ON A BALANCE OF PAYMENTS BASIS
 INDICES 1970 EQUALS 100

UNIT VALUES VOLUME
 (NOT SEASONALLY ADJUSTED) (SEASONALLY ADJ.)
 TERMS OF(1)

	EXPORTS	IMPORTS	TRADE	EXPORTS	IMPORTS
1975	198.5	245.0	81.0	125.6	126.4
1976	240.6	299.4	80.4	135.9	134.2
1975 1ST QTR	184.9	239.8	77.1	128.8	127.9
2ND QTR	193.4	240.4	80.4	122.6	122.0
3RD QTR	202.2	246.4	82.1	121.3	128.3
4TH QTR	210.1	259.7	80.9	129.6	127.4
1976 1ST QTR	219.0	268.3	81.6	131.5	126.1
2ND QTR	234.2	291.7	80.3	137.1	134.6
3RD QTR	247.4	307.3	80.5	134.2	137.9
4TH QTR	261.7	330.0	79.3	140.8	138.1
1977 1ST QTR R	274.5	340.7	80.6	140.7	142.4

1976 DECEMBER	266.9	335.4	79.6	143.3	133.6
1977 JANUARY R	272.7	336.7	81.0	141.0	153.9
FEBRUARY R	273.9	340.1	80.5	138.3	133.8
MARCH R	276.8	345.2	80.2	142.9	139.4
APRIL R	277.4	348.7	79.6	148.8	138.6
MAY P	282.4	349.1	80.9	145.3	142.4
1976 DEC-FEB	271.2	337.4	80.4	140.9	140.4

UNCLASSIFIED

UNCLASSIFIED

PAGE 03 LONDON 09984 02 OF 03 161730Z

MAR-MAY 1977 278.9 347.7 80.2 145.7 140.1
 PERCENTAGE CHANGE 3 3 -- 3-1/2 --

(1) EXPORT UNIT VALUE AS A PERCENTAGE OF THE IMPORT UNIT
 VALUE INDEX

R REVISED ESTIMATES

P PROVISIONAL ESTIMATES

6. TRADE IN PETROLEUM AND PETROLEUM PRODUCTS

ON A BALANCE OF PAYMENTS BASIS

POUNDS MILLION SEASONALLY ADJUSTED

	BALANCE OF VISIBLE TRADE F.O.B.	IMPORTS TOTAL F.O.B.	EXPORTS TOTAL F.O.B.	
1975	-3106	3827	721	
1976	-3964	5126	1162	
1975 1ST QTR	- 774	949	175	
2ND QTR	- 682	840	158	
3RD QTR	- 785	976	191	
4TH QTR	- 865	1062	197	
1976 1ST QTR	- 960	1179	219	
2ND QTR	- 957	1219	262	
3RD QTR	-1043	1355	312	
4TH QTR	-1004	1373	369	
1977 1ST QTR R	- 817	1268	451	
1976 DECEMBER	- 331	455	124	
1977 JANUARY R	- 358	503	145	
FEBRUARY R	- 204	354	150	
MARCH R	- 255	411	156	
APRIL	- 211	387	176	
MAY P	- 302	446	144	
1976 DECEMBER-FEBRUARY	- 894	1312	418	
MARCH-MAY 1977	- 768	1244	476	

UNCLASSIFIED

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PAGE 04 LONDON 09984 02 OF 03 161730Z

UNCLASSIFIED

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UNCLASSIFIED

PAGE 01 LONDON 09984 03 OF 03 161802Z

ACTION EUR-12

INFO OCT-01 EA-09 IO-14 ISO-00 AID-05 CIAE-00 EB-07

FRB-01 INR-07 NSAE-00 XMB-04 OPIC-06 SP-02 LAB-04

EPG-02 SIL-01 OMB-01 NSC-05 SS-15 STR-04 CEA-01
EURE-00 INRE-00 SSO-00 NSCE-00 USIE-00 OES-07
FEAE-00 INT-05 PA-02 PRS-01 AGRE-00 /116 W
-----161822Z 096537 /50

O R 161716Z JUN 77
FM AMEMBASSY LONDON
TO SECSTATE WASHDC IMMEDIATE 5154
TREASURY DEPT WASHDC IMMEDIATE
INFO AMEMBASSY BONN
AMEMBASSY BRUSSELS
AMEMBASSY PARIS
AMEMBASSY ROME
AMEMBASSY TOKYO
USMISSION GENEVA
USDOC WASHDC

UNCLAS SECTION 03 OF 03 LONDON 09984

PERCENTAGE CHANGE -- -5 14

R - REVISED ESTIMATES
P - PROVISIONAL ESTIMATES

7. THE DETERIORATION IN THE CURRENT ACCOUNT BETWEEN APRIL AND MAY IS LARGELY DUE TO THE 91 MILLION POUND WIDENING IN THE OIL DEFICIT. THIS WAS MAINLY DUE TO A FALL IN VALUE OF CRUDE OIL EXPORTS BY 44 MILLION POUNDS IN MAY WHILE CRUDE OIL IMPORTS WERE RISING BY 59 MILLION POUNDS. THE LOW EXPORT FIGURE IS PARTIALLY ATTRIBUTED TO AN IRREGULAR MOVEMENT IN THE FLOW OF DOCUMENTS TO THE CUSTOMS STATISTICAL OFFICE, ACCORDING TO THE DEPARTMENT OF TRADE PRESS UNCLASSIFIED

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PAGE 02 LONDON 09984 03 OF 03 161802Z

RELEASE. MOREOVER, THE NON-OIL SURPLUS DECLINED FROM 82 MILLION POUNDS IN APRIL TO 58 MILLION POUNDS IN MAY.

8. DISAGGREGATING THE FIGURES, THE MAY RISE IN IMPORTS WAS LARGELY CONCENTRATED IN MOTOR VEHICLES AND MACHINERY INCLUDING NORTH SEA PRODUCTION INSTALLATIONS (UP 9.1 PERCENT). THESE TWO CATEGORIES ACCOUNT FOR ONE-SIXTH OF TOTAL IMPORT VOLUME. THE REMAINING AREAS SHOWED LITTLE OR NO CHANGE FROM APRIL. ON THE EXPORT SIDE THERE WAS A SHARP REBOUND IN MOTOR VEHICLE EXPORTS BUT THIS WAS MORE THAN OUTWEIGHED BY DECLINES IN CHEMICALS, METALS, TEXTILES AND OTHER MANUFACTURES.

BREWSTER

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Message Attributes

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Disposition Approved on Date:
Disposition Case Number: n/a
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Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
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To: STATE TRSY
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